

THE EXECUTIVE

Minutes of the virtual meeting held on 27 September, 2021

- PRESENT:** Councillor Llinos Medi Huws (Chair)
- Councillors R Dew, Carwyn Jones, R Meirion Jones, Alun Mummery, Bob Parry OBE FRAGS, Dafydd Rhys Thomas, Ieuan Williams and Robin Williams
- IN ATTENDANCE:** Chief Executive,
Deputy Chief Executive,
Director of Function (Resources)/Section 151 Officer,
Director of Function (Council Business)/Monitoring Officer,
Director of Education, Skills and Young People,
Director of Social Services,
Head of Highways, Waste and Property,
Head of Adults' Services,
Head of Democratic Services,
Programme, Business Planning and Performance Manager (GM),
Scrutiny Manager (AGD),
Committee Officer (MEH).
- ALSO PRESENT:** Councillors K P Hughes, T LI Hughes MBE and Dafydd Roberts.
- APOLOGIES:** None

1 DECLARATION OF INTEREST

No declaration of interest received.

2 URGENT MATTERS CERTIFIED BY THE CHIEF EXECUTIVE OR HER APPOINTED OFFICER

None to report.

3 MINUTES OF THE PREVIOUS MEETINGS

The minutes of the previous meetings of the Executive were presented for the Executive's approval as follows:-

- 12 July, 2021
- 13 September, 2021 (Extraordinary)

It was **RESOLVED** that the minutes of the previous meetings of the Executive be confirmed as correct:-

- 12 July, 2021
- 13 September, 2021 (Extraordinary)

4 THE EXECUTIVE'S FORWARD WORK PROGRAMME

The report of the Head of Democratic Services incorporating the Executive's Forward Work Programme for the period October, 2021 to May, 2022 was presented for consideration and the following changes were noted:-

- Item 2 – Consultation on the level of Council Tax Premium for second homes – item rescheduled from the Executive's 27 September, 2021 meeting to its 25 October, 2021 meeting.
- Item 3 – Community Benefit Contributions Strategy – item rescheduled from the Executive's 27 September, 2021 meeting to its 25 October, 2021 meeting.
- Item 5 – Highways Damage Prosecution – item rescheduled from the Executive's 27 September, 2021 meeting to its 25 October, 2021 meeting.
- Item 13 – Peboc Site – a new item scheduled for the Executive's 29 November, 2021 meeting.
- Item 18 – Housing Challenge: IOACC's response to the local housing situation – item rescheduled from the Executive's 13 December, 2021 meeting to its 24 January, 2022 meeting.
- Item 16 – Establishing a Port Health Authority for Holyhead Port – a new item scheduled for the Executive's 13 December, 2021 meeting.
- Item 17 – Road Maintenance and Highways Asset Management Policy – a new item scheduled for the Executive's 13 December, 2021 meeting.
- Item 19 – Local Housing Strategy 2022-2027 – item rescheduled from the Executive's 13 December, 2021 meeting to its 24 January, 2022 meeting.
- Item 28 – Homelessness Strategy and Housing Support Grant – a new item scheduled for the Executive's 21 March, 2022 meeting.
- Item 29 – Social Services Improvement Programme Progress Report – a new item scheduled for the Executive's 21 March, 2022 meeting.

It was RESOLVED to confirm the Executive's updated Forward Work Programme for the period from October, 2021 to May, 2022 as presented.

5 MONITORING PERFORMANCE: CORPORATE SCORECARD - QUARTER 1, 2021/22

The report of the Head of Profession (Human Resources) and Transformation incorporating the Corporate Scorecard for Quarter 1, 2021/2022 was presented for the Executive's consideration.

Councillor Dafydd Rhys Thomas, Portfolio Member for Corporate Business introduced the report which is the first scorecard report for 2021/22 and it is considered within the context of the additional pressures emanating from the Council's response to the pandemic during Quarter 1. At the end of Q1 it is encouraging that the majority of the 85% of the performance management PI's continue to perform well against targets or within 5% of their targets. He referred that the Public Protection service has been under immense pressure during the pandemic and it was noted that the Food Standards Agency (FSA) has issued guidance for action in terms of food safety and that new businesses should be prioritised. To date, no confirmation has been received on how inspections will be prioritised post-pandemic from a national perspective and therefore it is recommended that this indicator is removed from the Scorecard for the 2021/22 year and monitored in-house. The indicator with regard to written response to complaints within 15 days received by the Social Services continues to be RED. The Portfolio Member explained that verbal

responses are afforded within the specific target but written response to complaints are dependent on responses from outside organisations. The Portfolio Member referred to indicator 35 – percentage of all planning applications determined in time which is RED with 73% against a target of 82%. He noted that capacity issues within the Planning Department has occurred within the service and was noted within the report. However, he said that there has been an improvement within the Enforcement Team in the Planning Department.

The Portfolio Member for Corporate Business further referred that indicator 32 – percentage of waste reused, recycled or composed is RED with a performance of 64.55% against a target of 70% for the quarter. This performance is down on the 67.07% seen in Q1 2020/21 and the 72.79% seen in Q1 2019/20. The pandemic remains one of the reasons due to a reduction in the use of Household Waste Recycling Centres and an increase in black bin household waste as more people work from home. Other factors includes the difficulty in obtaining outlets to recycle some materials as is noted in the report. It was noted that other local authorities are facing similar issues with recycling specific materials. The Portfolio Member also referred that following the new chargeable Green Waste service implemented from April 2021, there has been a decrease in the tonnage of green waste collected. To mitigate the current underperformance, a new Steering Group has been established with representatives from the WLGA and WRAP Cymru with an aim to evaluate the current working practices and identify how to improve performance and work towards the targets set by Welsh Government by 2025. The Portfolio Member considered that a representative from the Corporate Scrutiny Committee be appointed on the Steering Group.

The Programme, Business Planning and Performance Manager said mitigation measures were discussed in the Corporate Scrutiny Committee held on 13 September, 2021. He further noted that a workshop with Elected Members was held on 13 July, 2021 where it was agreed that two new indicators be introduced for the 2021/22 scorecard reporting year – customer satisfaction with the Council's telephone system and managing climate change.

The Leader said that the Corporate Scorecard Q1 report was submitted to the Corporate Scrutiny Committee held on 13 September, 2021 and the Committee considered the mitigating actions within the report. She noted that the Executive agreed that the representative from the Corporate Scrutiny Committee should be nominated on the newly established Steering Group to examine green waste and recycling issues. She also referred that the Scrutiny Committee referred that attendance at work figures needs to be monitored.

Councillor Bob Parry OBE FRAGS the Portfolio Member for Highways, Waste and Property wished to clarify that green waste figures across North Wales have been affected due to the pandemic and the only authorities that collect black bin waste on a monthly basis have seen an increase in waste collection figures. He noted that as Portfolio Member he would welcome a representative from the Corporate Scrutiny Committee on the newly established Steering Group.

Councillor Richard A Dew, the Portfolio Member for Planning and Public Protection said that capacity issues within the Planning Department has been a factor as regards to all planning applications determined in time which is RED with 73% against a target of 82%. He noted that capacity issues within the Planning Department has occurred within the service and was noted within the report. However, he said that there has been a significant improvement within the Enforcement Team in the Planning Department with dealing with enforcement applications. The indicator has risen from 74% and 91% and he wished to thank the Enforcement Team for their achievement in this regard.

It was RESOLVED:-

- **to accept the Scorecard monitoring report for Q1 2021/2022, to note the areas which the Senior Leadership Team are managing to secure improvements into the future and to accept the mitigation measures outlined in the report;**
- **to nominate a representative from the Corporate Scrutiny Committee to be a member of the newly established Steering Group comprising the WLGA and WRAP Cymru to examine recycling and green waste issues.**

6 MEDIUM TERM FINANCIAL PLAN 2022/23 TO 2024/25

The report of the Director of Function (Resources)/Section 151 Officer incorporating the Council's requirement to put in place a robust system to monitor and control its revenue budget and a key element is a Medium Term Financial Plan was presented for the Executive's consideration.

The Portfolio Member for Finance reported that the Plan sets out the Council's budget strategy over the next three year period and sets out the assumptions which will be taken forward to the annual budget setting process. He said that it is difficult to predict the financial position of the Council and especially as to Welsh Government financial settlement for the next three years. A comprehensive spending review has been planned by the UK Government for two to three years and in turn with impact on the Welsh Government's ability to provide Welsh local authorities with an indication on the level of potential funding over the next three years.

The Director of Function (Resources)/Section 151 Officer reiterated the comments of the Portfolio Member that it is difficult to predict the financial position of the Council and it is anticipated that WG will only provide the local authorities with the financial settlement for the forthcoming year when it announces its provisional settlement later in the year and it is extremely difficult to determine what any potential funding gap will be for the forthcoming years. The Medium Term Financial Plan takes account of all known changes that are required to be built into the 2022/2023 base budget, and makes assumptions on the main factors that impact the Council's revenue budget (increase pay costs, increase in NI contributions, pensions, energy increases, general inflation etc). The Director of Function (Resources)/Section 151 Officer referred to the main budget pressures and risks facing the Council with Pay Increases (Non-Teaching Pay) with a current offer of 1.75%; Pay Increases (Teachers Pay); NI contributions increase of 1.25% to fund the increasing cost of social care; Children's Services – potential increase in children being put in care; Adult Services (elderly, mental health, learning disabilities etc) – increase in the demand for the service; Elderly Nursing and Residential Care Fees; Out of County School Placements; Council Tax Reduction Scheme (furlough scheme comes to an end may have an impact in increasing number of people requiring assistance in paying their Council Tax).

The Director of Function (Resources)/Section 151 Officer referred to Table 3 within the report which reflects the impact of Council Funding for Changes in AEF and Council Tax 2022/23. The reduction in AEF in 2022/22 would require an increase of between 4% and 5% in Council Tax to maintain the current level of funding in cash terms. In order to fully meet the funding gap for 2022/23, it would require a 5% increase in AEF, along with a 3% rise in Council Tax, to fully fund the additional net expenditure.

Councillor Carwyn Jones said that the effect of the pandemic, furlough scheme and Brexit has had immense financial pressures and there is an assumption that inflation will rise to 4%. Councillor Jones ascertained as to the figure of financial cuts made by the Authority since 2013. The Director of Function (Resources)/Section 151 Officer responded that during setting out the budget process yearly, extra resources is placed within services that

are under pressure such as Adults' and Children's Services. He noted that the assumption of savings achieved by the Authority since 2013 is £24.6m. The financial cuts within services have been mainly in Highways, Property, Waste, Planning, Public Protection, Leisure and Economic Development and it will be difficult to continue some services if further cuts are faced in the future.

The Leader ascertained whether the Council was in a better situation as regards to its financial position three years ago. The Director of Function (Resources)/Section 151 Officer responded that the financial reserves of the Council has increased over the last two years which places the Council in a better financial position.

It was RESOLVED:-

- **That the Council puts in place a robust system to monitor and control its revenue budget and a key element of that system is a Medium Term Financial Plan. The plan sets out the Council's budget strategy over the next three year period and sets out the assumptions which will be take forward to the annual budget setting process;**
- **To note the contents of the plan, to approve the assumptions made and to consider how to bridge the funding gap identified in the report as part of the process to set the 2022/23 revenue budget as detailed in Appendix 1 of the report.**

7 REVENUE BUDGET MONITORING - QUARTER 1, 2021/22

The report of the Director of Function (Resources)/Section 151 Officer setting out the financial performance of the Council's services at the end of Quarter 1 of the 2021/22 financial year was presented for the Executive's consideration.

The Portfolio Member for Finance reported that the Council set a net budget for 2021/22 with net service expenditure of £147.420m. The overall projected financial position for 2021/22 is projected of an underspend of £2.540m. However, the Portfolio Member expressed that whilst it is projected that an underspend will occur within this year's budget it must be realised that there is a prediction that a substantial funding gap will occur in 2022/23.

The Director of Function (Resources)/Section 151 Officer reported that the report sets out the financial performance of the Council's services at the end of Quarter 1, 30 June, 2021. He noted that it is difficult to predict the final year-end position as it is uncertain as to pressures on Adults' Services and Children's Services will be faced and it is also unclear when some of the Council's services will return to normal and as to what the additional costs will be in providing those services. The Welsh Government has stated that further funding will be released to cover the loss of income due to the pandemic during the remainder of the financial year, but this has not been taken into account in the forecast. The Director further said that winter costs could worsen the outturn estimated costs on the highways authority together with winter pressures on hospitals with people discharged from hospital and requiring services afforded by the Council.

The Director of Function (Resource)/Section 151 Officer said that it is anticipated that inflation will rise which will have effect on the costs of the Council. The pay increase for staff has still not been agreed with at present an offer of 1.75%. The Director said that funding has been put aside within the budget. He noted that there is still a trend with houses converting to business rates and also can be backdated up to two/three years which again put pressure on the Council's budget. He noted that the introduction of the Cartrefi Clyd project, the increase in Foster Carers and the location of pupils out of county and the new school meals contract has decrease has contributed to the underspend. The

introduction of a green waste charge has increased the funding that was anticipated. He further noted that with staff working from home and more meetings held virtually has decreased travelling costs and office materials and energy costs have also seen a decrease.

The Chair of the Finance Scrutiny Committee reported that the Panel considered that it was premature to come to a conclusion about service budget performance on the basis of Q1 data as much can change in the coming months. Elements likely to generate in year savings include schools' out of county placements; green waste income. He noted that the Panel considered that there was a need to monitor the budget pressures in Adults' Services and the Children and Families Service's budget. Concern as regards to the condition of roads and highways were expressed and the need to consider completing essential road maintenance work this year.

Councillor Carwyn Jones wished it to be noted the encouraging work undertaken as regards to the children in care within the Children and Families Department.

It was RESOLVED:-

- **To note the position set out in Appendices A and B in respect of the Authority's financial performance to date and expected outturn for 2021/22. This position is dependent on the continued support from Welsh Government to fund the loss of income and the additional costs which the Council face during the remainder of the financial year as a result of the coronavirus;**
- **To note the summary of Contingency budgets for 2021/22 detailed in Appendix C;**
- **To note the position of the invest to save programmes in Appendix CH;**
- **To note the monitoring of agency and consultancy costs for 2021/22 in Appendices D and DD.**

8 CAPITAL BUDGET MONITORING - QUARTER 1, 2021/22

The report of the Director of Function (Resources)/Section 151 Officer setting out the financial performance of the Capital Budget for the first quarter of the financial year for the Executive's consideration.

The Portfolio Member for Finance reported this is the Capital Budget monitoring report for the first quart of the financial year. The total Capital Budget for 2021/22 was £54.253m. He noted that it was anticipated that by the end of the Q1 a total of £6.396m would have been spent but £5.262m of the annual budget has been spent but a total of £706k has been recognised. A number of capital schemes are weighted towards the latter part of the financial year.

The Director of Function (Resources)/Section 151 Officer reiterated the comments by the Portfolio Member and noted that the Finance Scrutiny Panel had raised that there is a likelihood that in future years the capital budget could be implemented to a different timescale so that it is set earlier in the year thereby enabling projects to commence sooner thus avoiding a significant underspend by the end of the year. He noted that setting the capital budget earlier in the year would enable the tendering process for contracts earlier and it was anticipated that this could be implemented in the 2023/24 financial year. The Director of Function (Resources)/Section 151 Officer highlighted the number of Capital Grant schemes in the Capital Programme as noted within the report at Paragraph 3 which is shows that capital schemes are dependent on outside grant funding for WG and continued EU grants. He noted that there are risk factors within the capital budget with the pandemic and absence of staff who are having to self-isolate. There is also risks

associated projects tendered to contractors as there is a shortness of availability of materials and the costs of materials has risen immensely. The Director of Function (Resources)/Section 151 Officer further said that he anticipated that the Q2 report will have a better insight into the capital budget forecast.

Councillor Dafydd Roberts, Chair of the Finance Scrutiny Panel said that the Panel received a verbal presentation by the Director of Function (Resources)/ Section 151 Officer noted that the capital budget Q1 performance reflects the previous pattern of underspend with slippage most likely under the following headings :-

The Council's housing development programme
WHQS council housing modernisation programmes
Disability adaptations in schools
The Schools' Modernisation Programme
Flood prevention schemes

The Panel in noting the underspend on the 2021/22 Capital Budget at Quarter 1, noted also the likelihood that in future years the capital budget could be implemented to a different timescale so that it is set earlier in the year thereby enabling projects to commence sooner thus avoiding a significant underspend by the end of the year.

It was RESOLVED to note the progress of expenditure and receipts against the capital budget 2021/22 at Quarter 1.

9 HOUSING REVENUE ACCOUNT BUDGET MONITORING - QUARTER 1, 2021/22

The report of the Director of Function (Council Business)/Section 151 Officer setting out the financial performance of the Housing Revenue Account (HRA) Budget for Quarter 1 2021/22 was presented to the Executive's consideration.

The Portfolio Member for Finance reported that the HRA is ring-fenced and its reserves are unable to be transferred to the General Fund, nor can General Fund reserves be used to fund the HRA. The revenue financial position for the first quarter shows an overspend of £18k (as noted in Appendix A) and the capital expenditure is £266k below the profiled budget. The forecast expenditure is £6,293k below budget as noted in Appendix B. The forecast deficit (combining both revenue and capital) is now £4,906k, £4,209k less than the budget, largely due to lower than budgeted capital expenditure. The Portfolio Member further said that added pressures on the fund is likely to rising cost of building materials.

The Director of Function (Resources)/Section 151 Officer advised that the opening balance of the HRA reserves stood at £9.7m so as to allow for any costs that arise during the financial year to upgrade the current housing stock and to build new social housing and to borrow money to continue the projects within the medium and long term period. He noted that whilst the underspend as regards to the capital funding of the HRA of £4.8m which will be available in the next financial year to develop new social housing projects. It is forecasted that the revenue income from rents will be lower than expected as there has been a delay in the new build programme. Whilst noting that this is the Q1 report it is anticipated that further spending will arise during the winter months.

The Portfolio Member for Housing Services said that procuring former Council houses and the new build of social housing will increase the revenue budget of the HRA during the next few months.

It was RESOLVED to note:-

- **The position set out in respect of the financial performance of the Housing Revenue Account (HRA) for Quarter 1, 2021/2022;**
- **The forecast outturn for 2021/2022.**

- **SOCIAL SERVICES IMPROVEMENT PANEL UPDATE**

The report of the Director of Social Services incorporating the progress within both Children and Families Services and Adults' Services was submitted for the Executive's consideration.

The Leader and the Portfolio Member for Social Services reported that the report is evident to the success of decisions taken by the Executive since 2017 to support the service with extra funding. She said that the ongoing Foster Carer recruitment drive which has resulted in an increase in the Authority's foster carers thereby enabling more children to be cared for on Anglesey and to remain part of their extended families and local communities. She further said that other local authorities are now focusing on the model that has been undertaken by this Authority. Further targeted recruitment is planned regionally for 2021/22 together with a national recruitment. The Council's Cartrefi Clyd are open and fully operational, and another home is to be provided for short breaks for children and young people with learning disabilities and registration has been submitted to CIW. The Portfolio Member further said that WG funding to support provision of services in a transformative way has been formally launched in Gwynedd and Anglesey; these projects are monitored by Medrwn Môn and Mantraeth Gwynedd.

As regard to Adults' Services work on planning for a new extra care housing provision continues. The Covid 19 pandemic has impacted on the Shared Lives programme to support people living with dementia and their carers and a review of the programme is due to take place in December with opportunities for people with mental health needs will increase as Covid19 restrictions are eased – individual support sessions have resumed in some cases. Work to establish three Community Resource Teams has been undertaken during the year. Substantial progress has been made in the first two quarters of the year in the development of the WCCIS (Welsh Community Care Information System) Prototype on the Island. Whilst the Adults' Learning Disability Day Opportunity Strategy is in place, formal consultation on the development of a greater range of high quality day opportunities for individuals in their communities will not take place until spring, 2022. She referred to the Care Inspectorate Wales (CIW) inspection held in 14 – 18 June, 2021 as was noted within the report and it gave assurances that excellent services were afforded during the pandemic. The Social Services Department during this period recruited a new Director of Social Services and a new Head of Adults' Services and she wished to take the opportunity to thank Mrs Iola Richards the Interim Head of Adults' Services for her work and she welcomed Mr Arwel Owen the recently appointed Head of Adults' Services.

The Social Services Improvement Panel has meet regularly despite the challenges and restrictions linked to the pandemic. The Panel continues to receive evidence of improvement and developments in both the Children and Families' Service and in Adults' Services. The Panel has been part of the Laming Visits, and discussed the Social Services Response to Covid-19, Community Resources Team, Partnership Working relationship with the Housing Services and Social Services and an Independent Diagnostic Review of the Adults Services, CIW Assurance Check of Social Services, Resilient Families Team/IFSS and the Annual Report on Social Services Complaints 2020/21.

The Director of Social Services wished to thank the Executive for their support as regards to the package of improvements by the Social Services Department and it is now evident that it can be seen that the resources imputed into the services and resulted in improvements which affords the residents of the Island the best services that is possible by the Authority.

It was RESOLVED to confirm that the Executive is satisfied with the pace of progress and improvements made to date within both Adult Services and the Children and Families Services.

The meeting concluded at 11.35 am

**COUNCILLOR LLINOS M HUWS
CHAIR**